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April 20, 2018

Marlene Dortch Secretary Federal Communications Commission 445 12th St., SW Washington, DC 20554

Re: Notice of Ex Parte Presentations (WC Docket No. 10-90; WT Docket No. 10-208) – Emergency Hurricane Relief in Puerto Rico and U.S. Virgin Islands

Dear Ms. Dortch,

On April 19, Mary Henze, Cathy Carpino and the undersigned of AT&T met with the following Wireline Competition Bureau staff to discuss matters pending in the above-captioned dockets: Sue McNeil, Alexander Minard, and Christian Hoefly.

In the meeting and as reflected in the enclosed presentation, AT&T explained that the communications network situation in Puerto Rico and the U.S. Virgin Islands post-Irma and Maria hurricanes remains serious. AT&T is committed to supporting our customers in both jurisdictions and is working to not only restore the network to pre-hurricane levels, but to harden the network to withstand future hurricanes. To that end, AT&T strongly endorses Chairman Pai's proposal for additional Universal Service Fund ("USF") support to help restore and expand communications networks across Puerto Rico and the Virgin Islands.¹

Immediate additional USF support would accelerate ongoing recovery efforts and address the extraordinary costs resulting from the hurricane damage. For example, electric generators have become a critical network element due to the unreliability of the electric grid, particularly in Puerto Rico.

AT&T believes that any new USF support provided to Puerto Rico and the U.S. Virgin Islands should come with "modern" accountability measures similar to those adopted for other post-2011 programs. For example, we recommend that the FCC clearly state that Puerto Rico and U.S. Virgin Island short-term funding recipients must use these resources for the restoration and hardening of equipment and network facilities for fixed or wireless voice and/or broadband services affected by Hurricanes Irma, Maria or both, including but not limited to purchase, installation, repair, and operation of cabling, poles,

¹ Chairman Pai Unveils \$954 Million Plan to Restore and Expand Networks in Puerto Rico and U.S. Virgin Islands, FCC Statement, March 6, 2018.



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conduit, trenching, transmission towers, network nodes, electric generators, and appropriate expenses directly associated with network and service recovery efforts ("Covered Expenditures"). We further recommend the FCC permit short-term funding supporting such Covered Expenditures incurred since the date of the Presidential disaster declaration in the relevant Territory related to Hurricane Irma or Maria, as relevant, for a period of two years from that date. Additionally, we recommend the FCC prohibit use of such support for other purposes such as the retirement of company debt unrelated to Covered Expenditures or other expenses not directly related to hurricane recovery.

Further, the FCC should require all recipients of Puerto Rico and the U.S. Virgin Islands short-term funding to certify their compliance with this use of the funds and it should inform such recipients that they could be subject to a potential audit by the Universal Service Administrative Company. In addition, the Commission may want to consider a system that requires recipients to demonstrate proof of purchase or expense prior to receiving funding as a reimbursement.

In addition to embracing this new, "immediate" funding for hurricane recovery, AT&T welcomes Chairman Pai's proposal to inject additional medium- and long-term USF support to help expand voice and broadband service across Puerto Rico and the U.S. Virgin Islands and looks forward to working with the Commission and other stakeholders to develop those proposals.

Should you have any questions related to these matters, please direct any questions to the undersigned.

Sincerely,

/s/
Raquel Noriega

cc: Sue McNeil Alexander Minard Christian Hoefly